

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re:

CITY OF DETROIT, MICHIGAN,

Debtor,

Chapter 9

No. 13-53846

HON. STEVEN W. RHODES

**APPELLANTS STATE OF MICHIGAN AND CITY OF DETROIT,
MICHIGAN'S DESIGNATION OF THE CONTENTS OF THE
RECORD AND STATEMENT OF ISSUES ON APPEAL**

Pursuant to Rule 8006 of the Federal Rules of Bankruptcy Procedure, appellants the State of Michigan and the City of Detroit, Michigan submit this designation of the contents of the record and statement of issues on appeal regarding the State and the City's Joint Notice of Appeal [Dkt. #7912] filed on October 10, 2014, pursuant to 28 U.S.C. § 158(a)(1) and Rules 8001(a) and 8002(b) of the Federal Rules of Bankruptcy Procedure from the *Order Regarding Motion to Modify the Automatic Stay Filed by American Federation of State, County and Municipal Employees Michigan Council 25 (Dkt. #7093)* [Dkt. #7679] entered on September 26, 2014.

I. Designation of the contents of the record on appeal.

Item	Date Filed	Docket #	Description
1.	7/25/2013	166	Order Pursuant to Section 105(a) of the Bankruptcy Code Extending the Chapter 9 Stay to Certain (A) State Entities, (B) Non Officer Employees and (C) Agents and Representatives of the Debtor
2.	11/6/2013	1536-1	Opinion and Order Denying NAACP's Motion for Relief from Stay (Dkt. #740) and Granting Phillips' Motion for Relief from Stay (Dkt. #1004)
3.	12/20/2013	2256	Order Denying Motion for Reconsideration (Dkt. #1745)
4.	8/27/2014	7093	American Federation of State, County and Municipal Employees Michigan Council 25's Motion to Modify the Automatic Stay
5.	9/10/2014	7401	State of Michigan, Rick Synder, and Kevin Clinton's Response to American Federation of State, County and Municipal Employees Michigan Council 25's Motion to Modify the Automatic Stay [Dkt. #7093]
6.	9/10/2014	7403	City of Detroit's Objection and Brief in Opposition to American Federation of State, County and Municipal Employees Michigan Council 25's Motion to Modify the Automatic Stay
7.	9/26/2014	7679	Order Regarding Motion to Modify the Automatic Stay Filed by American Federation of State, County and Municipal Employees Michigan Council 25 (Dkt. #7093)

II. Statement of issues on appeal.

1. Whether the Bankruptcy Court erred in holding that the *Order Pursuant to Section 105(a) of the Bankruptcy Code Extending the Chapter 9 Stay to Certain (A) State Entities, (B) Non Officer Employees and (C) Agents and Representatives of the Debtor* entered on July 15, 2013 [Dkt. #166] does not apply to the *Flint Case*¹ where the Complaint contains allegations that that PA 436² is facially unconstitutional, and a holding in the *Flint Case* that PA 436 is unconstitutional could pose serious questions regarding the validity of actions taken by Detroit's Emergency Manager in the Bankruptcy Case.³

2. Whether the Bankruptcy Court erred in concluding that “a finding by another court that PA 436 is unconstitutional will not automatically result in the removal of Kevyn Orr. Further action would need to be taken, and any such further action is subject to the automatic stay” where a holding in the *Flint Case* that PA 436 is

¹ *Michigan AFSCME Council 25, et al. v. Richard D. Snyder, et al.*, Case No. 13-CV-12191 (E.D. Mich.).

² Public Act 436 of 2012 of the State of Michigan, also known as the Local Financial Stability And Choice Act, Mich. Comp. Laws §§ 141.1541–141.1575.

³ *In re City of Detroit, Michigan*, United States Bankruptcy Court for the Eastern District of Michigan, Case No. 13-53846.

unconstitutional could render PA 436 void *ab initio*, and thus, could pose serious questions regarding the validity of actions taken by Detroit's Emergency Manager in the Bankruptcy Case.

Respectfully submitted,

/s/ Matthew Schneider

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